GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:695
ANSWERED ON:28.07.2006
ILLEGAL BANK LOAN
Murmu Shri Hemlal

Will the Minister of FINANCE be pleased to state:

(a) whether fresh amount of loan has been sanctioned to the farmers and other customers by the various banks of the country,especially State Bank of India and its ancilliary Santhal Pargana Gramin Bank inspite of the fact thaf previous loans (Non-Performing Assets) are already outstanding against them ;

(b) if so, the details thereof;

(c) whether any action has been taken against the officers of Santhal Pargana Gramin Bank for sanctioning illegal loans against whom NP A is already pending;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) & (b) As per prudent banking practices, fresh loans are not generally sanctioned to the borrowers whose loan accounts are classified as Non-Performing Assets (NPAs). However, fresh loans have been granted by banks in accordance with the guidelines issued by NABARD for `Debt Relief to Farmers` and Reserve Bank of India guidelines for `Relief Measures by banks iri areas affected by Natural Calamities`.

(c) No action has been taken against any officer of Santhal Pargana Gramin Bank for sanctioning of fresh loans against NP A, as these loans were sanctioned as per RBI / NABARD guidelines.

(d) & (e) : Do not arise